

Minutes
Catawba County Board of Commissioners
Regular Session, Monday, December 17, 2007 7:00 p.m.

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Closed Session

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The Catawba County Board of Commissioners met in regular session on Monday, December 17, 2007 at 7:00 p.m. in the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chair Lynn Lail and Commissioners Dan Hunsucker, Barbara G. Beatty and Glenn E. Barger.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Lee Worsley, County Attorney Debra Bechtel, Deputy County Attorney Anne Marie Pease and County Clerk Barbara Morris.

1. Chair Katherine W. Barnes called the meeting to order at 7:00 p.m. She stated the Board was pleased to have a number of 4-H students and their parents present at the meeting.
2. Commissioner Dan Hunsucker led the Pledge of Allegiance to the Flag.
3. Commissioner Glenn E. Barger offered the invocation.
4. Commissioner Barger made a motion to approve the minutes of the Regular Meeting and Closed Session of December 3, 2007. The motion carried unanimously.
5. Recognition of Special Guests: Chair Barnes recognized Jerry McCombs, President of Catawba County NAACP; Clarence Hood, President of the Catawba County Farm Bureau; Jeff Carpenter who was recognized during Farm-City Week as the Outstanding Contributor to Agriculture; and Joab Cotton, Hickory City School Board and the Boy Scouts from Troop 240 (meets at St. Stephens Lutheran Church on Springs Road).
6. Comments for Items not on the Agenda. None.
7. Presentation:
Chair Barnes asked all the commissioners to join her in presenting commendations to Catawba County 4-H members to recognize their accomplishments as 4-H contest winners and 4-H National Congress delegates. Ethan Hefner, Leah Sigmon, Anna Sigmon, Leah Phillips, Adam Coto, Leann Barger, Lisa Baxter, Tom Devine, Julia Elmore, Morgan Watts and Madison Malson were honored for their outstanding efforts in various livestock, poultry and horse related contests on the state, regional and national level and, for Lisa Baxter, Ethan Hefner and Madison Malson, representation of the county at this year's 4-H National Congress. Commissioner Barger stated that while the public heard about gangs, he commended these youth for being part of a good gang – the 4H Gang – and this type of investment of time by both these youth and their parents was admirable. Donna Mull, 4-H Agent, explained the magnitude of the competition these students were up against and their commitment to 4H.
8. Public Hearing:
Chris Timberlake, Planner came forward and presented a request of Mr. James R. Davidson and Mr. Jim Surane to rezone three parcels totaling 6.67 acres, located at 6738 Highway 150 East, 6706 Highway 150 East and 6790 Emerald Isle Drive in the Sherrills Ford Small Area Planning District, from R-30 Residential and O-I Office-Institutional to PD Planned Development.

Lake Norman is located to the north of these parcels; parcels to the south and east are zoned HC Highway Commercial and are either unoccupied, occupied by a business, or zoned R-30 Residential and occupied with single family residences; while parcels to the west are zoned R-30 and occupied by single family residences or vacant and cannot be built upon.

The PD Planned Development district is established to encourage the master planning of large scale, multiple and/or mixed use development patterns. Applicants who propose a planned development have more flexibility and creativity in design than is possible under conventional zoning regulations. The planned development process allows for the layout of uses and open space that promotes high standards in design and construction that further the purposes of a small area plan. It encourages well-planned, efficient development to promote economical and efficient land uses; allows a planned and coordinated mix of land uses that are compatible and are harmonious, but were previously discouraged by conventional zoning procedures; encourages development of contiguous large lot parcels into an integrated and orderly pattern, with particular attention to developing an efficient and coordinated network of internal streets; promotes clustering of structures and other uses to preserve unique and natural features such as woodlands, wetlands, natural drainage systems and scenic areas and reserves adequate public right-of-way in development areas for extension of arterial and collector streets, including proper width and spacing of such streets.

The combined total of the three tracts approved for rezoning is 6.67 acres. The applicants will combine the three tracts to create one parcel. Lake Norman Motor Coach Resort is being developed

on a portion of the property where Shady Rest Campground existed. Because Shady Rest Campground was a legal nonconforming use, the current redevelopment of the resort is allowed as long as there is no increase in the original number of recreational vehicle spaces (58 spaces). The rezoning of the property to PD Planned Development will alleviate this nonconformity and include the following through a master plan process: a caretaker's cottage and park retail space; a bathhouse; a playground and pet park; a swimming pool; an administrative office/gate house and additional parking; and a proposed gazebo. The site plan also shows an area for 25 future motor coach sites and parking expansion, depending on municipal sewer availability. Future development or amendments to the site plan will have to be resubmitted to the County.

Public water is available and located along Highway 150 East, but public sewer is unavailable. A connection to public water has been established. A permit for a septic system for the original 58 recreational vehicle spaces has been approved. The site plan indicates the proposed development will only have one access point, as opposed to the previous campground which had multiple points of access.

The Sherrills Ford Small Area Plan serves as the current land use plan for this area. The subject properties are inside an office institutional/mixed residential corridor, envisioned by the Sherrills Ford Small Area Plan to provide both a variety of residential uses and smaller scale commercial uses conducive to neighborhoods. Staff recommended approval of the rezoning request based on the Sherrills Ford Small Area Plan's recognizing the parcels as being in a future mixed-use corridor, the purpose of the PD Planned Development, which is established to encourage the master planning of larger scale developments, and the close proximity of existing HC Highway Commercial parcels. The Planning Board conducted a public hearing on this request on November 26, 2007. The applicants were available to answer questions. No one spoke in opposition to the rezoning request. The Planning Board voted unanimously to recommend approval of this rezoning, based the conditions cited above.

Commissioner Beatty asked if the boat slips had been approved by the Lake Norman Marine Commission and the applicant was to reply at the public hearing portion. Commissioner Beatty also asked if a right of way was reserved for future widening of the highway.

Commissioner Barger asked if the developer was going to be required to put in a turn lane in for the property and Mr. Timberlake stated DOT had not required a turn lane.

Vice-Chair Lail asked if the entrance could not be aligned with Paradise Cove, where would the entrance be and Mr. Timberlake replied it would remain where it currently was and that entrance was approved by DOT.

Chair Barnes opened the public hearing and indicated it had been duly advertised and invited anyone who wished to speak to come forward.

Mr. Jim Surane (applicant) came forward and tried to answer some of the Board's questions. He said the piers had been approved through the FERC process and a permit had been issued. He stated they had doubled and tripled silt fences for erosion control. With respect to the DOT widening of the road – they had been required to include all the necessary setbacks for future widening and did so in the plans and also widened the shoulder to about 20 feet. There were attempts to align with Paradise Cove but due to drainage field, it was not successful. He confirmed these spaces would be for strictly motor coaches, not permanent homes.

Sara Sherrill – Waters Edge Drive – northeast of the property to be rezoned – lives on the cove and is worried about the traffic on the cove and wondered whether there would be a no wake zone. Chair Barnes stated the Lake Norman Marine Commission would handle that. She was against the construction because it changed the natural condition of the site. Mr. Surane stated that the clearing that had been done was required to move the septic system and they were trying to save as many trees as possible and they were replanting 2000 new plants. He also stated he did not expect much boat traffic from the RV park.

Planning Director Jacky Eubanks addressed the public right-of-way reservation and suggested a condition of approval be a reservation of land for the right-of-way.

Chair Barnes then closed the public hearing.

Vice-Chair Lail made a motion to approve the rezoning subject to the underlined conditions stated below and the following consistency statement and ordinance be adopted. The motion carried unanimously.

ZONING MAP AMENDMENT CONSISTENCY STATEMENT

On December 17, 2007, the Catawba County Board of Commissioners conducted a Public Hearing for the purpose of considering a zoning map amendment for James R. Davidson and Jim Surane (Case #R2007-19).

Upon considering the matter, the Catawba County Board of Commissioners finds the item to be consistent with the Sherrills Ford Small Area Plan. This statement was affirmed by a vote of 5-0 of the Catawba County Board of Commissioners.

Ordinance No. 2007-_____

AMENDMENT TO THE CATAWBA COUNTY ZONING MAP

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS, that the Catawba County Official Zoning Atlas is hereby amended by rezoning the following described properties from R-30 Residential and O-I Office-Institutional to PD Planned Development.

Three parcels totaling 6.67 acres located at 6738 E NC 150 HWY, 6706 E NC 150 HWY, and 6790 Emerald Isle Drive in the Sherrills Ford Small Area Planning District, Mountain Creek Township, and further identified as Parcel Identification Numbers 3696-08-79-9231, 3696-08-78-5823, and 3696-08-79-5071.

PLAN CONSISTENCY STATEMENT:

Pursuant to NCGS 153A-341, and upon consideration of the recommendations and guiding principles of the Sherrills Ford Small Area Plan, the Catawba County Board of Commissioners finds the rezoning request to be consistent with the Sherrills Ford Small Area Plan.

This, the 17th day of December 2007.

This approval was subject to the following conditions: 1) any further expansion would need to come before the Board; 2) the owners agreed to dedicate land (to the extent feasible due to topography) for a right-of-way for a turning lane into the motor coach resort, in the event the North Carolina Department of Transportation approved such a turning lane, and 3) connection to public sewer would be required before the resort could expand beyond the current 58 spaces.

b. Jacky Eubanks, Planning Director, came forward to present a Catawba County Comprehensive Parks Master Plan. The County staff identified a need for a master plan in order to guide the County in future development of its parks system and programs. An adopted plan would also place the County in a more competitive position for obtaining grants. In 2005, a Parks Focus Group was established, comprised of a cross-section of citizens from different backgrounds and geographic areas of the county. The role of the Focus Group was to assist staff and a consultant in developing a set of recommendations and priorities for the Parks Division.

Catawba County contracted with McGill and Associates to work with staff and the Focus Group to prepare a Parks Master Plan which evaluates the County's existing park facilities and services, identifies the need for additional park facilities and enhanced services, serves as a blueprint for implementing recommendations designed to meet the needs of a growing community over

approximately the next ten years, allows the County to be competitive for future grant applications such as from the Parks and Recreation Trust Fund, and enhances quality of life for County residents.

The Plan is the result of over two years of work by the Parks Master Plan Focus Group, using public input received from a community survey which was completed in September 2005, public meetings held on August 25, 2005 and August 30, 2005, input regarding connectivity from neighboring community's planners and park directors, input from the Catawba County Historical Association, information relating to the Federal Energy Regulatory Commission's relicensing of Duke Energy's license to operate a hydroelectric power system on the Catawba River chain; and a development agreement regarding the Crescent/Key Harbor development.

Key highlights of the plan include the appointment of a Parks Advisory Committee which would discuss and make recommendations on planning, plan updates, implementation, grants, user needs and other issues involving the parks; additional staffing and increased hours of operation from 4 days to 6 days for certain parks; capital improvements totaling approximately \$5,841,500 over the next 10 years; and the development of a 600 acre park in the Sherrills Ford area.

A copy of the Catawba County Comprehensive Parks Master Plan is available at www.catawbacountync.gov. The Catawba County Parks Master Plan Focus Group conducted a public meeting on October 25, 2007 to discuss a draft of the plan. The Focus Group voted unanimously on November 8, 2007 to recommend the Plan to the Catawba County Planning Board.

The Planning Board conducted a public hearing on the Parks Master Plan on November 26, 2007. The Planning Board voted unanimously to recommended the plan to the Board of Commissioners, with the following additions: (1) consider the installation of 2 to 3-acre ponds and lakes within parks as part of a rainwater recovery system to help decrease dependence on using water from wells and treated water sources; and (2) formation of a Parks Advisory Committee comprised of representatives from each of the small areas of the county and County staff.

Those who served on the committee stood and were recognized.

Vice-Chair Lail questioned the amount budgeted for the increase of four employees and Mr. Eubanks confirmed that the budgeted amount had been verified.

Chair Barnes opened the public hearing and indicated it had been duly advertised and invited anyone who wished to speak to come forward. She noted the Board had received letters from the Catawba Valley Heritage Alliance and Historical Association.

Kenyon Kelly – behalf of Catawba Valley Heritage Alliance – urges adoption. Commended the Planning Board for their effort. Alliance protects natural resources. Plan will improve the quality of life for Catawba County citizens.

Melinda Hertzog – Ex. Dir. Historical Association – in favor – commended committee and staff for their efforts.

Larry Hyde – President of the Catawba County Outing Club – in favor.

Monroe Pannel – in favor – should honor the river, preserve access to the river and keep an eye on the river.

Clarence Hood – President, Catawba County Farm Bureau – in favor – commended committee and staff. Should preserve historical sites in area. There will be a challenge how the greenway will interact with community.

Chair Barnes then closed the public hearing.

Mr. Eubanks addressed the questions regarding greenways and Mike Moore of McGill and Associates joined Mr. Eubanks in this discussion. Mr. Eubanks stated that future developments would be made aware of the value of the greenway system and how it can add value to their property. He stated they did not have all the answers but would work with property owners one by one to achieve success with the greenway system. This issue would have to be worked out and the concerns of individual property owners were recognized. There would be no motorized travel – biking, walking and roller-blading would be utilized.

Chair Barnes stated the master plan was very much conceptual, there were a lot of issues with how fast it could be implemented and adopted with personnel issues, required land purchase, the ability to attract grants and the amount of work to be done.

Commissioner Beatty commended everyone who had worked on the committee and the plan and noted it was a vision for the future.

Chair Barnes said she had a call from a citizen who reviewed the plan on line – and wondered why bike trails were not addressed. Mr. Eubanks said there was a countywide bike system through the DOT.

Vice-Chair Lail noted the plan was conceptual and one of the biggest challenges would be to find that dedicated source of revenue to fund the plan but she supported having a plan in place.

Commission Barger agreed with all that had been said and it was a great product and vision for the future and wanted to ensure the public understood that the adoption of the plan was just that – a plan and it was very long-term in nature.

Commissioner Barger made a motion to approve the plan as a conceptual plan and asked that the additions proposed by the Planning Board be included in the plan, to include the formation of a Parks Advisory Committee. The motion carried unanimously.

9. Appointments.

Commissioner Lail recommended the reappointment of Lynda Lee Dehart for third term and Linda Holleman for a first term on the Equalization and Review Board. These terms will expire December 2, 2010. Chair Barnes recommended the appointment of the following students to the Catawba County Youth Council: Beau Rowe and Kimberly Hulley representing St. Stephens High; Ethan Hefner representing 4-H; Wade Hartman representing Homeschool/private school; Dylan Stair and Melody Young representing NC Health and Sciences; Joanna Johnson representing the Girl Scouts; Erin Frye and Nathan McClough representing Bunker Hill High; Chilo Garrou Forsyth representing the Boy Scouts; Lauren Riley representing Maiden High; Sara Mofford and Lindsey Weaver representing Fred T. Foard High; Julian Cernuda and Rebekah Love representing Newton-Conover High; Kristen Westfall and Bethany Meyer representing Bandys High; Gavin McCombs representing NAACP Youth; Regan Hale and Jake Meade representing Hickory High and Sarah Robinson, Ruth Raveica, Savanna Sherrill and Ashley Bandy as at large members. These appointments will be for a one year period, beginning with the date of the first meeting of the Catawba County Youth Council.

These recommendations came in the form of motion and the motion carried unanimously.

10. Consent Agenda:

County Manager J. Thomas Lundy presented the following three items on the consent agenda:

- a. A request for the Board to approve the reallocation of Juvenile Crime Prevention Council funds in the amount of \$14,725 from The Cognitive Connection to Family NET. The Cognitive Connection terminated its contract for substance abuse services for adolescents, effective November 1, 2007. Family NET will use a licensed substance abuse counselor to provide substance abuse assessment and counseling for youth, ages 7 to 17, who are at risk or already involved with substance abuse (alcohol and drugs).

b. A request for the Board to approve a Confidential Intermediary Program for Adult Adoptees, to be administered by the Department of Social Services, and associated fees for the program. North Carolina House Bill 445 created a Confidential Intermediary Law, which will become effective in North Carolina on January 1, 2008. This law, which amends previous statutes, authorizes child placement agencies to act as confidential intermediaries between adult adoptees, an adult lineal descendant of a deceased adoptee, and a biological parent. The act rewrites various sections of the adoption law to allow county departments of social services and child-placing agencies licensed in North Carolina to agree to act as "confidential intermediaries" for the purposes of obtaining and sharing otherwise confidential information and/or sharing facilitating contact when there is agreement by all parties. The law allows agencies to establish fees for this service.

Those who may seek information and/or contact through a confidential intermediary include an adoptee who has reached the age of 21, any person who descends from the direct line of the adoptee, and a biological parent of an adoptee. An agency also may act as a confidential intermediary for the adoptive parents of a minor adoptee for purposes of obtaining and sharing non-identifying birth family health information. A Confidential Intermediary Agreement will be completed by both the client and the agency outlining the expected services. Fees include an initial non-refundable fee of \$350 for regular services, for Catawba County residents and those whose adoptions included any services from Catawba County Social Services Adoptions staff; an initial non-refundable fee of \$425 for non-Catawba County residents or customers whose adoptions were not connected to services of Social Services Adoptions staff, as stated in a Confidential Intermediary Agreement; a fee of \$75 per hour for additional services beyond those contained in a standard Confidential Intermediary Agreement and a waiver of fees for those with incomes below the national poverty level.

c. A request for the Board to approve a tax refund request totaling \$9457. Records have been checked and these refunds verified, so the Tax Collector recommended approval. Under North Carolina General Statute 105-381, a taxpayer who has paid his or her taxes may request a refund in writing for an amount paid through error.

Chair Barnes noted that items had all been presented at subcommittees and asked if any commissioner wished for an item to be broken out of the consent agenda – none were requested. Commissioner Hunsucker made a motion to approve the consent agenda. The motion carried unanimously.

11. Departmental Report.

A. Finance:

Rodney Miller, Finance Director and Ms. Paula Hodges of Martin Starnes & Associates, CPAs, P.A. presented the Board with the County's Comprehensive Financial Report for the fiscal year that ended on June 30, 2007. Ms. Hodges reported that the Financial Report found that the County remains in "good financial condition". Ms. Hodges complimented the Finance Department and the staff for their good work.

The report indicated that Catawba County property tax revenues increased from \$63,318,810 to \$65,090,641, from June 30, 2006 to June 30, 2007. Property tax collection rates remain high at 97%. The County's tax rate of 49 cents per \$100 valuation for the 2006-2007 fiscal year was the 15th lowest among all 100 North Carolina counties. On the expenditure side, when purely local funding is considered, education received the highest percentage of County funding, at 52%. Catawba County appropriated \$34,222,295 for operating expenditures for education, or 22% of the total budget. Human service expenditures represented the largest total operating cost of County government, 42% of total expenditures, because State and Federal funds appropriated for the County's three human service agencies are audited and reflected in the report. Human service expenditures (for Mental Health Services, Public Health and Social Services) decreased by 1.9% from fiscal year 2005-2006. County departments collectively spent \$1,808,107 less than budgeted for fiscal year 2006-2007.

The report also addressed the County's fund balance which, compared to County operating expenditures, is an important benchmark used by State officials and bond rating agencies. The County's total fund balance increased by \$4,440,803 in fiscal year 2006-2007, which equates to 2.6%

of the operating budget for the year. Two specific revenue sources saw significant increases, sales taxes and interest earned on investments, which are indicative of a growing economy. Sales tax revenues grew by \$2.7 million, or 8.8%, while investment income increased by \$1.2 million, accounting for the bulk of the increase in fund balance. The County's unreserved fund balance, as a percentage of general fund expenditures, was 17.2% on June 30, 2007, which is equal to approximately two months of operating expenses.

Catawba County has traditionally had a goal to keep two months' worth of operating expenses in reserve in part because of cash flow issues, since property tax bills are sent to taxpayers in July but revenues are very slow to come in because many taxpayers wait until near the January deadline to make payments. A reserve is also kept in case of emergency circumstances, and to insure adequate funds are available to meet urgent economic development opportunities that may arise during the course of a given year.

The County's fund balance had been below the two months' operating expense threshold for several years since reserve funds were used to meet the loss of revenues from the State, from the now discontinued intangibles tax, and during the economic recession. The County expects the increase in fund balance, from fiscal year 2005-2006 to fiscal 2006-2007, to be needed because of several unknowns and commitments over the next several years. These factors include a projected decrease in lottery sales statewide, planned school construction expenditures, and the loss of an undetermined amount of fund balance as the County will continue to support Mental Health Services when Mental Health separates from Catawba County on July 1, 2008 and becomes a separate entity under the State of North Carolina's Mental Health Reform Plan.

Chair Barnes noted the fund balance was near to where they really needed to be. Mr. Miller stressed that this balance was important and could fluctuate as a result of less than predicted amounts from lottery sales and the mental health merger would result in some dollars going with them when they merged with Burke County. Commissioner Barger asked if Mr. Miller had been able to identify the dollars spent on the lottery vs. the monies received – County Manager Lundy responded \$25 million was bought in lottery tickets in Catawba County and the County received \$1.5 million. Chair Barnes said it was also indicated there were also 684 scholarships offered in Catawba County and received an additional 43.41 teachers for class size – and that equates to \$1.3 million. These figures indicate the County has received \$3,578,450 total dollars from the lottery. Mr. Lundy said to increase the lottery proceeds under the current formula, the tax rate would have to be raised 13 cents to qualify for the additional funds.

Commissioner Barger made a motion to adopt the audit. The motion carried unanimously. Mr. Miller said he would like to echo Ms. Hodges, compliments of his staff and recognized three of those present – Jean Jarrett, Kenneth Maynor and Debbie Anderson.

B. Utilities and Engineering:

1. Barry Edwards, Utilities and Engineering Director, presented the Board with an update on the Regional EcoComplex and Resource Recovery Facility. The EcoComplex, which is currently under development, uses the cooperative relationships of public and private partners for the benefit of the environment and the local economy. It is a goal of the EcoComplex to develop a system to recover all usable products and by-products from these partners who are located in a close-knit, confined area called the EcoComplex. The partner will work together to use each other's waste products as either a source of energy or as a raw material for the production of their own product. Several private industries have already co-located their operations with those of the Blackburn Landfill. Waste products from those businesses will be converted into energy to operate the landfill, partner businesses and, in the future, educational research facilities and a proposed sludge management facility. In addition to these environmental advantages, the facilities will promote economic development through creation of new jobs in the green energy, green business, and agricultural, industrial, and environmental sectors.

Commissioner Beatty asked if this had been done anywhere else – Mr. Edward replied the only thing similar was at Rutgers University but they didn't include the private sector. She then asked if there would be any adverse effect to the environment from the canola production and Commissioner

Hunsucker asked what kind of return per acres farmers would get growing canola vs. soybeans or wheat. The response was if soybeans were sold for biodiesel production, the farmer would get 3x more oil production from canola. This presentation was for informational purposes only and no action was taken.

2. Barry Edwards, Utilities and Engineering Director, presented a request for the Board to approve an agreement with Camp Dresser and McKee to perform preliminary design services (to 30% complete) for a Wastewater Sludge Management Facility, a component of the EcoComplex that would be constructed on Rocky Ford Road. This facility would replace the current Regional Sludge Management Facility, co-owned by the Cities of Hickory, Conover and Catawba County, which make up the Regional Sludge Management Facility Consortium.

The Wastewater Sludge Management Facility will be a state-of-the-art and cost-effective facility using thermal drying technology produced by a planned Bio-Energy Steam Plant, and electricity currently produced by existing County generator facilities at the landfill. Byproducts from the sludge management facility will be reused by other entities in the EcoComplex for landfill operations, landscaping and as a base for yard waste blended compost. Some of this compost would be used by university research and greenhouse operations, while the remainder will be marketed. The facility will also be used to create methane gas to augment landfill gasses used in the production of heat and electricity. Thermal drying technology, which will use exhaust heat from the existing electrical generators and the planned Bio-Energy Steam Plant, will be used to dry bio-solids in the Wastewater Sludge Management Facility.

The consortium of governments operating the current Regional Sludge Management Facility is in support of relocating the facility from its present location in the Fairgrove Business Park to the EcoComplex on Rocky Ford Road. 30% of the design must be complete in order to identify the estimated plant cost. Consortium members anticipate the project cost to be approximately \$30 million. The design of the Wastewater Sludge Management Facility will be based on the recommendations of a report completed by Camp Dresser and McKee. Since Camp Dresser and McKee completed the report, which includes calculations and specifications on the current facility, it is in the best interest of Catawba County and the consortium that Camp Dresser and McKee complete the first phase of the engineering design, to 30% complete. The consortium selected Camp Dresser and McKee for this design work. Funding for the proposed agreement with Camp Dresser and McKee would be in the amount of \$552,000 and is available in the project budget, so no new County appropriations are needed.

Commissioner Hunsucker asked about the resulting compost product and Dr. Richard Tsang explained that it really wasn't considered a compost product but a dry organic product that is used to blend with fertilizer and some farmers use it straight on their land. Commissioner Hunsucker asked if the odor would return when moisture was added to the product. Dr. Tsang said the odor was minimal because of the digestive process.

Commissioner Barger asked what would happen to the existing facility. Mr. Edwards said the existing facility would be demolished and all the pieces that could be used would be utilized and they would sell the remaining pieces and then put that property on the market. Commissioner Barger then asked if the proceeds would be divided on a participation basis and Mr. Edwards confirmed this (Hickory, Conover, Catawba County). Commissioner Barger then asked if the County would only pay its percentage of the cost of the new facility. He questioned the County paying the first 30% when the County had a 18% share – Mr. Edwards said this was due to the relationships the County has with the other entities there and to get the project to a point where they can go after grant monies to tie it all together. Mr. Edwards said the other partners ultimately pay through water and sewer fees or through landfill fees. Chair Barnes said as she understood it, the County had a greater part to gain because a lot is predicated on the energy generated at this facility which was the County's product to sell. County Manager Lundy asked Mr. Edwards after this 30% was paid, how was the balance of 70% to be paid. Mr. Edwards said they would go back to the consortium and determine the final pricing of the facility which he expected would be paid by the consortium partners at their current percentage rate.

Commissioner Lail said she had read the minutes of the consortium and it was her understanding that something had to be done about the sludge facility anyway and if that was the case, she would support going ahead with this contract and would make the motion to do so.

The Board directed Department of Utilities and Engineering staff to investigate how the assets of the current Regional Sludge Management Facility would be distributed upon its dismantling, and to engage in further discussions on how the remaining costs of the EcoComplex would be divided among the Consortium members and report back to the Board on their findings.

Vice-Chair Lail made a motion to approve an agreement with Camp Dresser and McKee to perform preliminary design services (to 30% complete) for a Wastewater Sludge Management Facility, a component of the EcoComplex that would be constructed on Rocky Ford Road, in the amount of \$552,000 and is available in the project budget, so no new County appropriations are needed.

12. Other Items of Business.

Chair Barnes presented a resolution opposing further tightening of Federal ozone standards as proposed by the Environmental Protection Agency (EPA). Chair Barnes stated the Board strongly supports clean-air standards at a level that ensures public health and improves quality of life for all of the county's residents, and is encouraged by the progress both state and local governments and private industry have made toward improving air quality. The national average for ozone levels has decreased by 21% from 1980 to 2006; aggregate emissions of six principal pollutants are down by more than half since 1980 despite a 46% increase in population; and programs have been initiated to cut power plant emissions by more than 40%, from today's levels, in 30 eastern jurisdictions, by 2010; reduce emissions from vehicles by 77 to 95% from 2004 levels; and dramatically reduce levels of mercury and virtually eliminate diesel emissions.

State and local governments and businesses have been working diligently to meet the EPA's current National Ambient Air Quality Standard for ground level ozone by the 2020 deadline, investing approximately \$20 billion each year. The resolution expressed the Board's belief that further tightening of ozone standards, even before the current standard of 0.08 parts per million is met, could result in emissions controls in additional areas, imposing significant administrative and regulatory burdens on more citizens, businesses and local governments, and almost certainly resulting in plant and business closures and loss of jobs, along with higher energy and other prices to consumers, with total additional costs estimated at \$10 billion to \$22 billion per year. Based on the considerations listed above and, with significant questions having been raised regarding the science behind the EPA's proposal to tighten ozone standards and as members of the Agency's own scientific advisory board have disputed its conclusions, the Board of Commissioners opposes the proposed tightening of the current ozone standards. Commissioner Beatty made a motion to adopt the following resolution. The motion carried unanimously.

**RESOLUTION NO. 2007-
RESOLUTION OPPOSING FURTHER TIGHTENING OF THE OZONE STANDARDS**

WHEREAS, the Catawba County Board of Commissioners strongly supports clean-air standards at a level that ensures public health and improves quality of life for all our residents; and

WHEREAS, both state and local governments and private industry are making measurable progress in improving air quality, with the national average for ozone levels having decreased by 21 percent from 1980 to 2006; aggregate emissions of six principal pollutants down more than half since 1980 despite a 46 percent increase in population; and programs in place to cut power plant emissions by more than 40 percent from today's levels by 2010 in 30 eastern jurisdictions, reduce vehicle emissions by 77 to 95 percent from 2004 levels, dramatically reduce levels of mercury and virtually eliminate diesel emissions; and

WHEREAS, state and local governments and businesses are working diligently to meet the Environmental Protection Agency's current National Ambient Air Quality Standard for ground level ozone by the 2020 deadline, investing approximately \$20 billion each year, according to EPA estimates; and

WHEREAS, The Environmental Protection Agency, in the course of its required review of NAAQS, is nevertheless considering a further tightening of the ozone standard from 0.08 parts per million; and

WHEREAS, further tightening the ozone standard, even before the current standard is met, could significantly expand the number of nonattainment areas and result in emissions controls in additional areas, thereby imposing significant administrative and regulatory burdens on more citizens, businesses and local governments; and

WHEREAS, the burdens associated with a tightened standard would include almost certain plant and business closures and loss of jobs, along with higher energy and other prices to consumers, with total additional costs estimated at \$10 billion to \$22 billion per year; and

WHEREAS, it is in fact likely that scores of local businesses in North Carolina will have to close their doors if the lowest proposed standard is established; and

WHEREAS, significant questions have been raised regarding the science behind the EPA's proposal to tighten the ozone standard, and members of the Clean Air Scientific Advisory Committee (CASAC), the Agency's own scientific advisory board, have disputed its conclusions; and

WHEREAS, the Agency is proposing this action with virtually no evidence that the change in standards will result in significant health benefits and with no analysis of the enormous costs that will be charged to North Carolina business and consumers and to those communities that must implement new complicated compliance programs.

NOW, THEREFORE BE IT RESOLVED THAT the Catawba County Board of Commissioners advises and strongly urges the EPA to retain the existing NAAQS for ozone; and

BE IT FURTHER RESOLVED THAT the EPA is urged to identify any unfunded mandates or other administrative and economic burdens for state or local governments or agencies that would derive from changes to the NAAQS for ozone; and

BE IT FURTHER RESOLVED THAT a copy of this resolution be transmitted to the President of the United States, the Administrator of the United State Environmental Protection Agency, the Governor of North Carolina and the Administrator of the North Carolina Department of Environmental Quality.

This 17th day of December, 2007.

13. Attorneys' Report.

a. County Attorney Debra Bechtel acknowledged the property acquisition contract with Carolina Centers for the 589 acres in Mt. Creek Township and final terms have been reached. The final acquisition price according to the appraisal was \$3.8 million and by the final execution of the contract before the end of the year, this now puts the County in the position to work with Carolina Centers to apply for grants to help purchase the property. Planning is working with Carolina Centers and Crescent for other funding sources to come up with the entire \$3.8 million. If all the funds cannot be secured after diligent effort, the worst case scenario is the County will get 300 acres for which the County will not have to pay any tax dollars for.

b. Attorney Bechtel then asked that the Board adopt a resolution declaring real property located at 1025 Zion Church Road as surplus and authorizing the upset bid procedure for disposal. Catawba Valley Medical Center obtained the property (16.17 acres), known as the old Mountain View Elementary School, in April 1998 for \$1,250,000. The property to be sold by upset bid is 2.24 acres and is part of the original 16.17 acres. The tax value for the entire 16.17 acres is \$1,115,600.

SBBH, LLC has made an offer to purchase this property for \$2,135,416 and have made a 5% deposit in the amount of \$106,770.80. SBBH, LLC has agreed to restrict the property to the operation of a typical pharmacy and all related uses, as well as any other health care uses and/or ancillary uses. Any other potential buyers shall be required to submit to similar restrictions. North Carolina General Statute 160A-269 authorizes the sale of real property via the negotiated offer and upset bid process. The process begins by receiving an offer to purchase the property. The offer is then reported to the Board. If the Board proposes to accept the offer, the upset bid procedure begins. The person or persons offering to buy the property are required to submit a bid deposit in the amount of 5% of the bid. Once the Board has acted and the deposit from the person offering to buy the property has been received, a notice is published in a local newspaper.

The statute requires that an upset bid be received within ten days from the date the notice is published. To qualify as an upset bid, the bid must raise the original or current offer by an amount of at least 10% of the first \$1,000 of that offer and 5% of the remainder. The minimum upset bid for this property would be \$2,242,236.80. The process continues until a ten-day period passes without receipt of a qualifying upset bid.

Commissioner Hunsucker made a motion to adopt the following resolution and authorize Chair Barnes to execute any documents relating to the future sale of this property. The motion carried unanimously.

**Notice of Upset Bid - Real Property
1025 Zion Church Road (2.24 acres)**

WHEREAS, the Catawba County Medical Center owns certain property; located at 1025 Zion Church Road, Hickory Township, N.C. being all property as described:

Being 2.24 acres of land located in Hickory Township, Catawba County, North Carolina, being a portion of a tract now or formerly owned by Catawba County, as recorded in Deed Book 2084 Page 1618, Catawba County Registry, and being a portion of Tax Parcel Number 3701-13-04-0172 as referred to by the Catawba County Tax Office and more particularly described as follows:

Beginning at a Concrete Monument found, said point being the POINT OF BEGINNING

THENCE, northeasterly North 59 degrees 30 minutes 04 seconds East for 117.34 feet to a Right of Way Monument found;

THENCE, easterly North 73 degrees 24 minutes 00 seconds East for 135.97 feet to a Concrete Monument found;

THENCE, southeasterly South 66 degrees 04 minutes 20 seconds East for 209.82 feet to a Right of Way Monument found;

THENCE, easterly South 67 degrees 55 minutes 09 seconds East for 18.23 feet to a point;

THENCE, southeasterly South 23 degrees 44 minutes 19 seconds East for 14.34 feet to a point;

THENCE, southerly South 20 degrees 26 minutes 30 seconds West for 157.66 feet to a point;

THENCE, southwesterly South 52 degrees 04 minutes 49 seconds West for 213.39 feet to a point;

THENCE, northwesterly North 37 degrees 55 minutes 11 seconds West for 361.99 feet to a Concrete Monument found, the POINT OF BEGINNING;

containing 2.24 acres {97,410 square feet} of land; subject to any/all rights-of ways, easements and any/all other encumbrances, recorded or unrecorded.

Bearings are relative to Deed Book 2084 Page 1618

WHEREAS, North Carolina General Statute 160A-269 permits the county to sell property by upset bid, after receipt of an offer for the property; and

WHEREAS, Catawba Valley Medical Center has received an offer to purchase the property described above, in the amount of \$2,135,416 submitted by SBBH, LLC; and

WHEREAS, SBBH, LLC has paid the required 5 percent (5%) deposit on the offer;

WHEREAS, the Catawba County Board of Commissioners accepts the offer of \$2,135,416 or any higher, upsetting offer, subject to the upset bid procedure;

THEREFORE, the Catawba County Board of Commissioners resolves that:

1. The Catawba County Board of Commissioners authorizes the sale of the property described above through the upset bid procedure of North Carolina General Statute 160A-269.
2. The Catawba County Purchasing Agent shall cause a notice of the proposed sale to be published. The notice shall describe the property and the amount of the offer, and shall state the terms under which the offer may be upset.
3. Persons wishing to upset the offer that has been received shall submit a sealed bid with their offer to the office of the Purchasing Agent within 10 days after the notice of sale is published. At the conclusion of the 10-day period, the Purchasing Agent shall open the bids, if any, and the highest such bid will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer.
4. If a qualifying higher bid is received, the Purchasing Agent shall cause a new notice of upset bid to be published, and shall continue to do so until a 10-day period has passed without any qualifying upset bid having been received.
5. A qualifying higher bid is one that raises the existing offer by not less than 10 percent (10%) of the first \$1,000 of that offer and 5 percent (5%) of the remainder of that offer.
6. A qualifying higher bid must also be accompanied by a deposit in the amount of 5 percent (5%) of the bid; the deposit may be made in cash, cashier's check, or certified check. The County will return the deposit on any bid not accepted, and will return the deposit on an offer subject to upset if a qualifying higher bid is received. The County will return the deposit of the final high bidder at closing.
7. The terms of the final sale are that
 - The buyer must pay with cash, cashier's check or certified check at the time of closing.
 - The use of the property may be restricted.
8. The County reserves the right to withdraw the property from sale at any time before the final high bid is accepted and the right to reject at any time all bids.
9. If no qualifying upset bid is received after the initial public notice, the offer set forth above is hereby accepted. The appropriate County officials are authorized to execute the instruments necessary to convey the property.

This the 17th day of December, 2007.

14. Manager's Report.

County Manager J. Thomas Lundy requested the Board consider going into closed session, pursuant to North Carolina General Statute 143-318.11(a)(5) to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee. He did not anticipate any action after the closed session. Commissioner Beatty made the motion to move into closed session. The motion carried unanimously. The Board moved into closed session at 10:40 p.m.

15. The Board returned to open session and took no action on matters discussed in closed session. Commissioner Barger made a motion to adjourn. The motion carried unanimously. The meeting was adjourned.

Katherine W. Barnes, Chair
Board of Commissioners

Barbara E. Morris, County Clerk